

Chairman Rod Johnson called the regularly scheduled meeting to order at 10:04 a.m. with Commissioners Boyle, Johnson, Landis and Vap present, and Commission Schram excused at the beginning of the meeting. Chairman Johnson invited the public to address the Commission. Chairman Johnson also announced that a copy of the Nebraska Open Meetings Act was available in the meeting room. No comments were made.

GENERAL ADMINISTRATION

Notice was duly published July 31, 2007 on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held August 7, 2007 at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Tuesday, August 7, 2007:

DR-0001 Commission Hearing Room, Lincoln.
11:15 In the Matter of the Petition for Declaratory Ruling of CUSA ES, LLC, d/b/a Express Shuttle, seeking a determination that the permit requirements of Neb. Rev. Stat. Section 75-309 do not apply to single-state transportation performed under contract of railroad train crews within the state of Nebraska if the train crews are traveling as part of a continuous interstate movement. Commissioner Landis presiding as Hearing Officer.

911-023.45 Commission Hearing Room, Lincoln.
1:30 In the Matter of Johnson County, Public Safety Answering Point, Tecumseh, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation. Commissioner Landis presiding as Hearing Officer.

DC-71/
NUSF-53 Atrium Conference Room, 2nd floor, Lincoln. Qwest Compliance Meeting. In the Matter of Maurice Gene Hand, Director, Communications Department and Jeffrey L. Pursley, Director, Nebraska Universal Service Fund Department, Complainants v. Qwest Corporation, Respondent.
2:00

Wednesday, August 8, 2007:

NG-0041 Commission Hearing Room, Lincoln. Oral Argument.
10:00 In the Matter of Aquila, Inc., d/b/a Aquila Networks (Aquila), Omaha, seeking individual general rate increases for Aquila's Rate Area One, Rate Area Two, and Rate Area Three. Commissioner Landis presiding as Hearing Officer.

COMMUNICATIONS DEPARTMENT

Cheryl Elton informed the Commission that 71 complaints were received in July 2007. She reported that 49 were wireline and 26 were wireless. The complaints were categorized as follows: 31 billing, 27 service and 13 miscellaneous issues.

Motion made by Commissioner Anne Boyle, seconded by Commissioner Jerry Vap, to enter orders granting applications AD-388r and AD-389r.

AD-388r In the Matter of Collectcorp Corporation, Phoenix, Arizona, seeking authority to connect an automatic dial-announcing device.

AD-389r In the Matter of Douglas County Republican Party, Omaha, seeking authority to connect an automatic dial-announcing device.

Commissioner Schram entered the Commission Hearing Room.

C-3824 In the Matter of DeltaCom, Inc., and Business Telecom, Inc., Huntsville, Alabama, seeking approval of a guarantee of indebtedness: Motion made by Commissioner Jerry Vap, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

C-3757/
DC-74 In the Matter of the Commission, on its own motion, regarding the 2006 Annual Report Filings: Commissioner Tim Schram was appointed as Hearing Officer.

Gene Hand reviewed with the Commission a draft letter to telecommunication service providers giving them notice of the requirements mandated by LB 661 to remit Telephone Relay Service (TRS) surcharges on a per telephone number basis instead of an access line basis: Motion made by Commissioner Anne Boyle, seconded by Commissioner Tim Schram, to approve the letter. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

C-3822 In the Matter of Qwest Corporation, Denver, Colorado, seeking a New Negotiated Wireline Interconnection Agreement with Walnut Communications, Walnut, Iowa: Motion made by Commissioner Jerry Vap, seconded by Commissioner Anne Boyle, to enter an order approving the application. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

COMMUNICATIONS DEPARTMENT (Cont.)

Motion made by Commissioner Anne Boyle, seconded by Commissioner Tim Schram, to enter orders granting applications E-2146 and E-2154. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

E-2146 In the Matter of Nebraska Public Power District, Columbus, seeking authority to construct, operate and maintain an electric transmission line in York County.

E-2154 In the Matter of Niobrara Valley Electric Membership Corporation, O'Neill, seeking authority to construct, operate and maintain an electric transmission line in Boyd County.

C-3796 In the Matter of Cox Nebraska Telcom, LLC, Omaha, seeking arbitration and approval of an interconnection agreement pursuant to Section 252 of the Telecommunications Act of 1996 with Qwest Corporation, Denver, Colorado. Commissioner Anne Boyle presiding as Hearing Officer: Gene Hand informed the Commission that Hearing Officer Boyle entered a protective order on August 6, 2007.

Gene Hand informed the Commission that the Federal Communications Commission (FCC) denied Iowa Telecommunication Services' application seeking a waiver to permit it to be eligible for "high-cost" universal service support based on its forward-looking economic costs.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT

911-020.01 In the Matter of Jeffrey L. Pursley, Director of the Nebraska Telecommunications Infrastructure and Public Safety Department, Complainant, v. Level 3 Communications, LLC; Vartec Telecom, Inc.; NebCon Partnership; Budget Phone, Inc.; CAT Communications International; Granite Telecommunications, LLC; Comtel Telecom Assets, LP: Motion made by Commissioner Anne Boyle, seconded by Commissioner Jerry Vap, to enter an order dismissing NebCon Partnership from this proceeding. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter orders approving Phase II LEC costs in Dockets 911-023.17, 911-023.23 and 911-023.56. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle voting NAY.

911-023.17 In the Matter of Dawson County, Public Safety Answering Point, Lexington, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

911-023.23 In the Matter of Dawes County, Public Safety Answering Point, Chadron, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

911-023.56 In the Matter of Nance County, Public Safety Answering Point, Fullerton, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

911-023.02 In the Matter of Douglas County, Public Safety Answering Point, Omaha, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation. Commissioner Boyle presiding as Hearing Officer: Jeff Pursley discussed the Hearing Officer's Order entered August 2, 2007, continuing the hearing previously scheduled for August 7, 2007 to August 14, 2007 at 1:30 p.m. in the Commission Hearing Room, Lincoln.

911-023.20 In the Matter of Furnas County, Public Safety Answering Point, Beaver City, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation. Commissioner Vap presiding as Hearing Officer: Jeff Pursley discussed the Hearing Officer's Order entered August 2, 2007, continuing the hearing previously scheduled for August 7, 2007 to August 14, 2007 at 1:30 p.m. in the Commission Hearing Room, Lincoln.

Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to enter orders dismissing complaints in Dockets NUSF-37.124 and NUSF-37.132. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

NUSF-37
.124 In the Matter of Jeffrey L. Pursley, Director, Nebraska Telecommunications Infrastructure and Public Safety Department, Complainant, v. 360 Networks (USA), Inc., Respondent.

NUSF-37
.132 In the Matter of Jeffrey L. Pursley, Director, Nebraska Telecommunications Infrastructure and Public Safety Department, Complainant, v. Protel Advantage, Inc., d/b/a Long Distance Savings, Respondent.

NUSF-25
PO #19 In the Matter of the Commission, on its own motion, seeking to establish guidelines for the purpose of certifying the use of federal universal service support; and,

NUSF-66 In the Matter of the Commission, on its own motion, seeking to establish guidelines for the purpose of certifying the use of state universal service support: Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter a joint-docket order continuing the hearing scheduled for August 14, 2007, to a date later to be determined. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

NUSF-68 In the Matter of the Distance Education Council of Nebraska seeking support from the Nebraska Universal Service Fund for use in distance education. Commissioner Vap presiding as Hearing Officer: Jeff Pursley discussed the Hearing Officer's order continuing the hearing scheduled for August 28, 2007 to September 18, 2007 at 1:30 in the Commission Hearing Room, Lincoln, with pre-filed testimony due September 7, 2007.

Jeff Pursley reported on the NUSF Late-Filed Carrier Remittances: Motion made by Commissioner Jerry Vap, seconded by Commissioner Tim Schram, to grant First Communications, LLC's request for a one-time waiver and dismiss Complaint NUSF-37.130 approved by the Commission on June 26, 2007. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

NATURAL GAS DEPARTMENT

Laura Demman reported that a total of 14 complaints and inquiries were received in July 2007, categorized as follows: Aquila - 7; SourceGas - 6; and Other Entity - 1.

NG-0037 In the Matter of NorthWestern Corporation, d/b/a NorthWestern Energy, Sioux Falls, South Dakota; Babcock & Brown Infrastructure Limited, BBI US Holdings Pty Ltd., Sydney NSW 2000, Australia; BBI US Holdings II Corp., and BBI Glacier Corp., San Francisco, California, seeking approval of the proposed change in control of NorthWestern Corporation: Motion made by Commissioner Vap, seconded by Commissioner Landis, to withdraw approval of change of control issued October 17, 2006. Motion passed with Commissioners Boyle, Johnson, Landis, Schram and Vap voting AYE.

NG-0041 In the Matter of Aquila, Inc., d/b/a Aquila Networks (Aquila), Omaha, seeking individual general rate increases for Aquila's Rate Area One, Rate Area Two, and Rate Area Three. Commissioner Landis presiding as Hearing Officer: Laura Demman informed the Commission that a Hearing Officer's Order was entered August 6, 2007 scheduling an Oral Argument for August 8, 2007 at 10:00 a.m. in the Commission Hearing Room, Lincoln.

FC-1327 In the Matter of the Formal Complaint of the Nebraska Public Advocate seeking a determination that Kinder Morgan, Inc. and/or its successor in interest, SourceGas Distribution, LLC improperly implemented, billed and received payment for interim and final rates in NG-0036 for which customers are entitled to a credit or refund from Kinder Morgan, Inc. and/or SourceGas Distribution, LLC. Commissioner Vap presiding as Hearing Officer: Upon agreement of all Commissioners, a planning conference was scheduled for August 13, 2007 at 1:30 p.m. in the Commission Hearing Room, Lincoln. The call in number is 402-472-0060.

TRANSPORTATION DEPARTMENT

DR-0001 In the Matter of the Petition for Declaratory Ruling of CUSA ES, LLC, d/b/a Express Shuttle, seeking a determination that the permit requirements of Neb. Rev. Stat., Section 75-309 do not apply to single state transportation performed under contract of railroad train crews within the state of Nebraska if the train crews are traveling as part of a continuous interstate movement. Commissioner Landis presiding as Hearing Officer: Mark Breiner informed the Commission that an oral argument was scheduled for August 7, 2007, at 11:15 a.m. in the Commission Hearing Room, Lincoln.

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-F: The fuel surcharge was retained at 78 cents per mile.

HOUSING AND RECREATIONAL VEHICLE DEPARTMENT

MODF-1 In the Matter of the Commission, on its own motion, seeking to determine the seal fee amounts for the Modular Housing Program: Mark Luttich informed the Commission that a workshop was scheduled for August 30, 2007 at 9:30 a.m. in the Atrium Conference Center, 2nd Floor, 1200 N Street, Lincoln.

GENERAL ADMINISTRATION

Motion made by Commissioner Jerry Vap, seconded by Commissioner Anne Boyle, to approve the Executive Director's recommendation for approval of the following Commission invoices. Motion passed with Commissioners Anne Boyle, Rod Johnson, Tim Schram and Jerry Vap voting AYE, and Commissioner Frank Landis voting NAY.

Cornhusker State Industries	\$ 1,669.57
DAS-Building Division	39,700.00
Secretary of State	3,445.72
Liberty Consulting Group	1,489.51
Office Interiors & Design	58,338.70
Voyager	1,460.42
Fred Massing	861.59
Kent Pribyl	1,281.13
Tim Schram	362.78

Motion made by Commissioner Anne Boyle, seconded by Commissioner Tim Schram, to approve the Executive Director's recommendation for approval of Commission minutes for the month of July 2007. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

GENERAL ADMINISTRATION (Cont.)

Motion made by Commissioner Jerry Vap, seconded by Commissioner Anne Boyle, to authorize Commissioners to travel to and attend the National Association of Regulatory Utility Commissioners Annual Conference to be held in Anaheim, California from November 10 to 14, 2007. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

Motion made by Commissioner Jerry Vap, seconded by Commissioner Anne Boyle, to approve the Executive Director's recommendation for Gene Hand to travel to and attend the National Association of Regulatory Utility Commissioners Annual Conference to be held in Anaheim, California from November 9 through 14, 2007. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

Motion made by Commissioner Tim Schram, seconded by Commissioner Jerry Vap, to approve the Executive Director's recommendation for Commissioner Anne Boyle and Gene Hand to travel to and attend the Regional Oversight Committee (ROC) Meetings to be held in Boise, Idaho from September 25 through 28, 2007. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to approve the Executive Director's recommendation for Scott Elston to travel to and attend the Motive Power and Equipment Workshop to be held in Fort Worth, Texas, from August 27 through 31, 2007, with all expenses to be paid by the Federal Railroad Administration. Scott was previously authorized to travel to Oklahoma City, Oklahoma in error. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

The meeting adjourned at 10:40 a.m. with Commissioners Boyle, Johnson, Landis, Schram and Vap present. The next regularly scheduled meeting will be held on August 14, 2007, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on August 13, 2007.

Chairman

Deputy Director